GHELAMCO

Ghelamco Invest NV
Half year results 30.06.2021

Continued development and commercial efforts resulting in good results and a sound balance sheet structure

- **Net profit for the period of 23,789 KEUR (compared to 17,366 KEUR as per 30.06.20)**

- **Solvency ratio at 36.2% (compared to 34.1% as per 31.12.20).**

- **Sale of the Focus/PwC Offices project (offering +/- 30,000 sqm office space in total) to a third party investor on 20 May 2021 for a total sales value of 131.3 MEUR, based on a yield of 4.72%. The closing of the transaction (and transfer of ownership) took place shortly after the delivery of the building end of April 2021.**

- **Acquisition of Immobilière Cogimes SA and Sogimes SA, companies holding land plots at the Culliganlaan in Diegem, on 26 February 2021 for the development of the 'The Wings' office and hotel project. The transaction was based on an agreed property value of 13,800 KEUR. Construction works started shortly afterwards.**

- **Continuation and good progress of the construction works in the residential Lake District project in Knokke (166 apartments and retail functions on the ground floor, spread over 3 buildings); per date of the current report approx. 63% of the available apartments have been sold.**

- **Continuation of the construction works of The Arc in London (mixed residential, offices and retail project at City Road 225).**

- **Finalization of the construction works in the residential Senzafine project in Kortrijk; per date of the current report approx. 88% of the available apartments have been sold.**

Preliminary remark

Ghelamco Invest NV (with all of its subsidiaries) represents the Belgian, French and UK activities of the Ghelamco Group, a leading European real estate investor and developer active in the offices, residential, retail and logistics markets.

Ghelamco Invest NV is hereafter referred to as "Ghelamco Invest" or the "Company".

Summary

The first half of 2021 saw successive cycles of positive and negative developments in the COVID-19 pandemic. At the beginning of 2021, the European authorities maintained strict measures to control the COVID-19 health crisis. Once vaccination started, governments released strict measures, bringing economic life back to the (new) normal. Ghelamco has further focused on the health and safety of its staff, contractors, customers and other stakeholders, while safegarding the continuity of its business. Considering the mandatory or structural evolution in home working, the Company has during the first half year of 2021 not been confronted with a decreased demand in office space; to the contrary. Therefore the activities and results for the first half year of 2021 have only slightly been impacted by COVID-19, proving the effectiveness of the applied strategy and the done efforts.

The Company closed its 2021 half-year accounts with a net profit of 23,789 KEUR. While further paying strong attention to (amongst others technical and environmental) sustainability, the Company kept the focus on its development and commercial activities in its core markets in the past half year. The Company has in the current period once more considerably invested in a number of existing projects, resulting in the creation of significant added value on its current projects portfolio. In addition, the Company successfully sold a sizable delivered project to a third party investor. This is reflected in an increased balance sheet total of 1,029,001 KEUR and an increased equity of 372,792 KEUR. The solvency ratio[1] increased from 34.1% per 31/12/20 to 36.2% per 30/06/21.

In Belgium, the Company has been intensifying its development activities over the last years (with on average over 40 projects in portfolio). As a consequence, a significant number of Belgian projects have been delivered, commercialised and sold in the course of the last years.

On 26 February 2021, the Company acquired 100% of the shares of Immobilière Cogimes SA and Sogimes SA, companies holding land plots at the Culliganlaan in Diegem, for the development of the 'The Wings' office project. The project will offer approx. 48,500 sqm office space and hotel facilities, divided over 4 interconnected buildings ('wings'). Construction works started shortly afterwards, in view of the expected delivery of the offices end of March 2023 and of the hotel part end of September 2023. On 7 May 2021 a 30 year usufruct agreement has been signed with a third party for the hotel part (13,100 sqm) and in June 2021 a lease agreement has been signed with EY for 13,258 sqm office space. At the date of the current report, the project has been pre-leased for approx. 58%.

On 20 May 2021, the PWC Offices project (offering +/- 30,000 sqm office space) has been sold to Riyad Capital. The share purchase agreement (which was signed in March 2021) was based on an underlying property value of 131.3 MEUR and a yield of 4.72%. The closing of the deal (and transfer of ownership) took place shortly after the delivery of the building end of April, to its anchor tenant PwC. At closing date, the outstanding bank loans for a total amount of 53.9 MEUR have been reimbursed.

The construction works of the residential Lake District project in Knokke have been continued and are well advanced per date of the current report. The project will offer 166 high-end apartments, approx. 4,200 sqm retail function on the groundfloor and a hotel, spread over 3 buildings: The Tower (13 floors), 11 Lake Garden (6 floors) and 8 Lake Garden (4 floors). Construction progress is at approx. 20% on average while already 63% of the available apartments have been (pre-)sold.

After the start of the ground works of the Company's first project in London, The Arc, end of last year, the construction works have in the current period been continued and are advancing at a good pace. The project in

[1] Calculated as follows: equity/total assets * 100

the London Borough of Hackney is to offer 100 residential units and approx. 15,000 sqm of office and retail space. Per date of the current report, approx. 20% of the residential units have been pre-sold or reserved, while advanced negotiations are ongoing for the available commercial space.

Key figures

Results	**30.06.2021**	**30.06.2020**
Operating result	22,979	13,251
Profit for the period	23,789	17,366
Share of the Company in the profit for the period	23,792	17,340
Balance sheet	**30.06.2021**	**31.12.2020**
Total assets	1,029,001	1,024,602
Cash and cash equivalents	33,940	25,080
Net financial debt [2]	540,746	568,369
Total equity	372,792	349,019

Revenue for the first semester of 2021 amounts to 27,076 KEUR and mainly relates to rental income (2,662 KEUR) and sales of residential projects (24,414 KEUR).

The investment property (under construction) portfolio evolved from 273,239 KEUR per end 2020 to 435,817 KEUR per end of June 2021; evolution which is the combined result of current period's expenditures (32,552 KEUR), the transfer from inventory to IP of (the commercial part of) The Arc (104,969 KEUR) and fair value adjustments (25,057 KEUR). The current period's favorable fair value adjustment is mainly the consequence of the Group's sustained investment and leasing efforts, in combination with market evolution (in terms of yields and rent levels).

The operating result for the first half-year of 2021 totals to 22,979 KEUR; net profit for the period closes with 23,789 KEUR.

Property development inventories balance decreased by 73,320 KEUR to 212,656 KEUR. This evolution is mainly related to the transfer of (the commercial part) of the UK project, The Arc, to Investment Property. This project will offer a mix of residential units, office space and some retail space, in a 7 to 22 storey tower.

During the period the Company was able to obtain new bank borrowings and withdrew on existing credit facilities for a total amount of 37.9 MEUR. On the other hand, reimbursements and refinancings have been done for an amount of 35.8 MEUR, bringing the total outstanding amount of bank borrowings to 290.6 MEUR (compared to 288.4 MEUR at 31/12/2020). Current period's reimbursements are mainly related to the sale of the PWC Offices project in May.

[2] Calculated as follows: interest bearing loans and borrowings/ total assets

Overview

In the current period, the company mainly acquired the land plots, in view of the future development of the The Wings office project in Diegem (approx. 48,500 sqm office space and hotel facilities).

The Company's main development activities during the first half of 2021 related to:
- Finalization of the construction works in the PwC Offices project in connection with delivery to the anchor tenant end of April 2021 and its subsequent sale in May 2021;
- Continuation of the construction works of the Lake District residential project in Knokke (offering 166 luxurious apartments, 4,200 sqm retail and 486 parking spaces) and the mixed residential/offices/retail project The Arc in London (offering 100 residential units and 15,000 sqm of office and retail space); and
- Start of the construction works of The Wings project (offering +/- 48,500 sqm leasable office space in total) at the Culliganlaan in Diegem

Following main lease agreements have been signed on the The Wings project in the course of the current period:
- On 7 May a 30 year usufruct agreement has been signed with a third party for the hotel part (13,100 sqm plus 40 underground parkings). The hotel will be branded as a Hilton Garden Inn. The usufruct is extendable by 2 consecutive periods of 10 years.
- On 11 June a 15 year lease agreement has been signed with EY for 13,258 sqm. On the same date, a lease agreement has been signed with Meetdistrict for 1,775 sqm. The casco+ delivery of the offices is expected by end Q1 2023, to allow EY to move its Belgian headquarters to The Wings by end Q3 2023.

As to divestures and/or revenues:
- In May 2021 the PWC Offices project in Diegem has been sold to a third party investor for a total sales value of 131.3 MEUR;
- Current period's other, residential revenues mainly related to installment invoicing (under the Breyne legislation) connected to the sale of apartments in the Lake District project in Knokke and the Senzafine project in Kortrijk.

Outlook

It is the Company's strategy to further diversify its development portfolio by spreading its developments over different real estate segments and/or mixed projects.

For the second half of 2021, the Company will continue its sustained growth ambition. In addition, it will closely monitor specific evolutions in its active markets and real estate segments and has already secured some important positions for sizable new projects.

In respect of the COVID-19 pandemic, the management has taken all necessary and preventive measures to protect the Company's staff and co-operators the best possible. Management has in addition taken various actions and initiatives to ensure the continuity of its business activities.
Nevertheless, the management is conscious that the pandemic will affect certain ongoing and planned real estate and/or financial transactions. The risks concerned are mitigated as much as possible in open discussions with the involved counterparties or partners. The management will closely monitor and follow-up all evolutions concerned and will act diligently to reduce any negative effect on the Company, its staff and its business.

The Company will also continue to focus on R&D and innovation to monitor and improve the realisation of its qualitative development projects. Doing so, management is confident that the projects will remain attractive to tenants and investors.

Risks

Due to its activities, the Company is exposed to a variety of financial and operational risks: including interest rate risk, price risk, credit risk and liquidity risk. Financial risks relate to the following financial instruments: trade receivables, cash and cash equivalents, trade and other payables and borrowings.

These risks, which are described in detail in the Ghelamco Invest NV IFRS Consolidated Financial Statements at 31 December 2020, remain applicable for 2021 and are closely managed and monitored by the Company's management.

For the specific risk related to a crisis resulting from the Covid-19 pandemic, further reference is made to note 1 "Basis of preparation".

Declaration in accordance with Art. 13 of the Belgian Royal Decree of 14 November 2007

The Management, acting in the name of and on behalf of GHELAMCO INVEST NV, attest that to the best of their knowledge,

- the interim condensed financial statements are prepared in accordance with applicable accounting standards and give, in all material respect, a true and fair view of the consolidated assets and liabilities, financial position and consolidated results of the Group and of its subsidiaries included in the consolidation for the six month period;
- the interim financial management report, in all material respect, gives a true and fair view of all important events and significant transactions with related parties that have occurred in the first six month period and their effects on the interim financial statements, as well as an overview of the most significant risks and uncertainties we are confronted with for the remaining six months of the financial year.

Paul Gheysens
CEO & Managing Director
Ieper
28/09/2021

Philippe Pannier
CFO
Ieper
28/09/2021

About Ghelamco

Ghelamco Group is a leading European real estate investor and developer active in the offices, residential, retail and logistics markets. It maintains a high quality internal control with respect for agreed milestones over all its project development phases: land purchase, planning, coordinating the construction phase and sale or lease. Its projects combine prime and strategic locations with efficient and aesthetically inspiring designs and correct timing. Its successes on the Belgian, French, UK and Polish markets are generated by the group's professional and enthusiastic staff that is driven by the vision and passion of its management.

Condensed consolidated interim financial statements Ghelamco Invest NV per June 30, 2021

Condensed consolidated statement of profit or loss (in KEUR)

	Note	30/06/2021	30/06/2020
Revenue	7	27,076	15,898
Other operating income	8	2,187	3,681
Cost of Property Development Inventories	7	-17,498	-10,881
Employee benefit expense		-1	-70
Depreciation amortisation and impairment charges		-52	-125
Gains from revaluation of Investment Property	4	25,057	13,313
Other operating expense	8	-10,510	-8,626
Share of results of equity accounted investees	5	-3,280	61
Operating profit, incl. share of profit in equity accounted investees, net of tax		**22,979**	**13,251**
Finance income	9	6,516	3,951
Finance costs	9	-7,621	-11,747
Profit before income tax		**21,874**	**5,455**
Income tax expense	10	1,915	11,911
Profit for the period		**23,789**	**17,366**
Attributable to			
Owners of the Company		23,792	17,340
Non-controlling interests		-3	26

Condensed consolidated statement of profit or loss and other comprehensive income (in KEUR)

	30/06/2021	30/06/2020
Profit for the period	23,789	17,366
Exchange differences on translating foreign operations	-15	
Other		
Items that are or may be reclassified subsequently to profit or loss	-15	
Total Comprehensive income for the period	**23,774**	**17,366**
Attributable to		
Owners of the Company	23,777	17,340
Non-controlling interests	-3	26

Condensed consolidated statement of financial position (in KEUR)

	Note	30/06/2021	31/12/2020
ASSETS			
Non-current assets			
Investment Property	4	435,817	273,239
Property, plant and equipment		321	90
Equity accounted investees	5	29,676	32,947
Receivables and prepayments	11	6,227	7,927
Deferred tax assets	10	18,402	13,289
Other financial assets	11	5,159	4,280
Total non-current assets		**495,602**	**331,772**
Current assets			
Property Development Inventories	3	212,656	285,976
Trade and other receivables	11	286,803	284,840
Current tax assets		0	0
Assets classified as held for sale	4	0	96,934
Cash and cash equivalents	11	33,940	25,080
Total current assets		**533,399**	**692,830**
TOTAL ASSETS		**1,029,001**	**1,024,602**

Condensed consolidated statement of financial position (in KEUR) (cont'd)

	Note	30/06/2021	31/12/2020
EQUITY AND LIABILITIES			
Capital and reserves attributable to the Company's equity holders			
Share capital		146,490	146,490
Foreign currency translation (CTA)		-11	4
Retained earnings		225,462	201,671
		371,941	348,165
Non-controlling interests		851	854
TOTAL EQUITY		**372,792**	**349,019**
Non-current liabilities			
Interest-bearing loans and borrowings	6	425,904	413,999
Deferred tax liabilities	10	18,002	21,597
Other non-current liabilities		1,528	1,311
Total non-current liabilities		**445,434**	**436,907**
Current liabilities			
Trade and other payables	11	59,225	49,204
Current tax liabilities	10	2,768	10,022
Interest-bearing loans and borrowings	6	148,782	179,450
Total current liabilities		**210,775**	**238,676**
Total liabilities		**656,209**	**675,583**
TOTAL EQUITY AND LIABILITIES		**1,029,001**	**1,024,602**

Condensed consolidated cash flow statement (in KEUR)

	Note	30/06/2021	30/06/2020
Operating Activities			
Profit / (Loss) before income tax		**21,874**	**5,455**
Adjustments for:			
- Share of results of equity accounted investees		3,280	-61
- Change in fair value of investment property	4	-25,057	-13,313
- Depreciation, amortization and impairment charges		18	125
- Net result on disposal Investment Property	8	-10	0
- Change in provisions/ inventory write-down		0	0
- Net interest charge	9	1,741	6,243
- Movements in working capital:			
- Change in prop. dev. inventories		-31,649	-1,585
- Change in trade & other receivables		1,922	-20,748
- Change in trade & other payables		6,686	190
- Change in MTM derivatives		0	0
- Movement in other non-current liabilities		217	581
- Other non-cash items		-26	51
Income tax paid	10	-7,151	-1,432
Interest paid (*)	9	1,424	-5,481
Net cash from operating activities		**-26,731**	**-29,975**
Investing Activities			
Interest received	9	803	492
Purchase of property, plant & equipment		-249	146
Purchase of investment property	4	-65,768	-46,737
Capitalized interest in investment property (paid)	4	-4,639	-952
Proceeds from disposal of investment property / assets held for sale	4	123,386	24,000
Net cash outflow on acquisition of subsidiaries			
Net cash outflow on other non-current financial assets		821	-4,437
Net cash inflow/outflow on NCI transactions			
Net cash flow used in investing activities		**54,354**	**-27,488**
Financing Activities			

Proceeds from borrowings	6	105,827	42,616
Repayment of borrowings	6	-124,590	-26,651
Capital increase			
Dividends paid			
Net cash inflow from / (used in) financing activities		**-18,763**	**15,965**
Net increase in cash and cash equivalents		**8,860**	**-41,498**
Cash and cash equivalents at 1 January		**25,080**	**43,408**
Cash and cash equivalents at the end of the period		**33,940**	**1,910**

(*): Interests directly capitalized in IP not included (2021: 4,639 KEUR; 2020: 952 KEUR, separately presented under investing activities)

Condensed consolidated statement of changes in equity (in KEUR)

	Attributable to the owners of the Company			Non-controlling interests	Total equity
	Share capital	Cumulative translation reserve	Retained earnings		
Balance at 1 January 2020	**146,490**	**0**	**160,079**	**159**	**306,728**
Capital increase					**0**
Profit/(loss) for the period			17,340	26	**17,366**
Dividend distribution					**0**
Change in non-controlling interests					**0**
Change in the consolidation scope					**0**
Other			3		**3**
Balance at 30 June 2020	**146,490**	**0**	**177,422**	**185**	**324,097**
Balance at 1 January 2021	**146,490**	**4**	**201,671**	**854**	**349,019**
Capital increase					**0**
Foreign currency translation (CTA)		-15			**-15**
Profit/(loss) for the period			23,792	-3	**23,789**
Dividend distribution					**0**
Change in non-controlling interests					**0**
Change in the consolidation scope			-11		**-11**
Other			10		**10**
Balance at 30 June 2021	**146,490**	**-11**	**225,462**	**851**	**372,792**

Segment reporting

A segment is a distinguishable component of the Company which is engaged either in providing products or services (business segment), or in providing products or services within a particular economic area (geographic segment) and which is subject to risks and rewards that are different to those of other segments.
Management does not receive information disaggregated at a lower level than Ghelamco Invest as a whole. Hence no segment information has been included in this financial reporting. Still, the majority of the assets and the vast majority of the resulting income of the Company is geographically located in Belgium.

Notes to the condensed consolidated interim financial statements at 30 June 2021

1. Basis of preparation

These interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the European Union, and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2020 ('last annual financial statements'). They do not include all of the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The condensed consolidated financial statements for the 6-months period ended June 30, 2021, were approved by the Board of Directors on 28 September 2021.

The new interpretations and standards that are applicable from 2021 did not have any significant impact on the Company's interim financial statements.

Risk related to a crisis resulting from the Covid-19 pandemic

The management of the Covid-19 global pandemic has led and could in the future lead to economic activities being shut down as well as lockdowns imposed by the government. The crisis may accelerate evolutions in the use and need of residential, office and commercial real estate.

The potential impact on Ghelamco's business is assessed as follows:

- The interruption or slow-down of work on construction sites of resp. projects: Ghelamco's management has adopted stringent health and safety measures on its construction sites. The constant monitoring of these measures has to date ensured that the anticipated and contractual delivery dates of the current projects (mainly Focus/PwC Offices and the Wings in Diegem and Lake District in Knokke) to Ghelamco's tenants have been maintained.

- Lower demand for office spaces and/or changed expectations from tenants regarding working environment: Ghelamco is aware that the crisis may accelerate evolutions in the use and need of real estate. In this respect, it is expected that in the offering of office space, strong attention should be paid to flexibility (combination with teleworking), social distancing, health (ventilation, …). Ghelamco has always focused on R&D and innovation in order to ensure the realisation of qualitative projects, to comply with the constant evolution in expectations or needs as to comfort, health, flexibility, safety, …

Ghelamco has e.g. created the co-working concept of MeetDistrict, providing great flexibility to clients in terms of needed office space, meeting rooms, duration of lease contract, related services and equipment. Furthermore, significant parts of development projects wich are currently under construction or in the pipeline are already pre-let (The Wings: approx. 58%).
Ghelamco's management is confident that high quality real estate remains attractive to tenants and investors.

- Financial difficulties of tenants with affected business, which could have an impact on the Company's income and cash flow: Ghelamco's tenants are mainly reputable and credit-worthy national and international parties. There have been no lease terminations nor rent concessions granted to tenants and no important rent arrears were noted to date. Also, Ghelamco's income from tenants is as of 30 June 2021 only representing 10% of revenue.

- Valuation of investment properties and property development inventories:

    - <u>Investment properties:</u> Net positive fair value adjustments have been recognized on the The Wings project (27.5 MEUR), slightly compensated by a negative fair value adjustment (2.5 MEUR) on other projects a.o. reflecting the impact of the Covid-19 crisis on the main valuation parameters (mainly yields). For hotel and hospitality projects only: In accordance with the Valuation Practice Alert of 02/04/2020 published by the Royal Institute of Chartered Surveyors ("RICS"), the independent real estate valuers' reports mention that the valuations have been prepared taking into account a "material valuation uncertainty", as defined by the RICS standards. As a consequence a lower level of certainty, and more prudency is required, with regard to the obtained valuations as would be the case in normal market circumstances. For the Company this statement applies to the valuation of Knocke Village as of 30/06/2021.

    - <u>Property development inventories:</u> construction works, the sale of residential units and planned development in relation to property development inventories have not been significantly impacted by Covid-19. Based on management's review, no impairment adjustments have been required to reduce the cost of property development inventories to its net realizable value as of 30 June 2021.

- Less easy access to financing and/or increased interest rates required by banks and financial markets, with a potential impact on liquidity: Ghelamco currently has a sound spread of its financing sources, over different types of facilities: i.e. bank loans, EMTN/Green bonds, commercial paper and some other mezzanine financing. The bond tranche (70.9 MEUR) which matured in June 2021 has for the main part been refinanced through the issue of a new bond tranche (50.1 MEUR) with the next tranche (33 MEUR) only maturing in May 2022. As of 30 June 2021, the financing needs of Ghelamco in respect of the ongoing projects are sufficiently covered. Given the sound project pipeline, management continues to closely monitor its leverage and solvency ratios in accordance with its lender agreements exploring the most optimal financing of its purchase commitments and ongoing development projects as well as timing of realization of projects. As of 30 June 2021, Ghelamco has been in compliance with its loan covenants (see compliance certificates available on the Company's website).

2. Significant accounting policies

The condensed consolidated interim financial statements are prepared on a historic cost basis, with the exception of investment property (under construction), assets held for sale and derivative financials instruments, which are stated at fair value.

All figures are in thousands of EUR (KEUR), unless stated otherwise.

The accounting policies adopted are consistent with those followed for the preparation of the Company's consolidated financial statements for the year ended 31 December 2020.

3. Property development inventories

Property development inventories contain mainly plots of land held for development of residential purposes and residential buildings either finished or still under construction.

	30/06/2021	31/12/2020
Property Development Inventories	212,656	285,943
Raw materials	0	33
Finished goods	0	0
	212,656	**285,976**

The inventory mainly relates to:
- Residential projects at the Belgian coast (both finalized and under construction), mainly in Knokke;
- The Edition Zoute project (49 serviced boutique apartments with commercial functions on the ground floor, in Knokke); construction is currently in a final stage.
- The delivered high-end Senzafine project in Kortrijk (86 high-end apartments)
- Some plots in Courchevel for the development of (combined) residential/hotel projects;
- Residential units in the UK project at 225 City Road, London; under construction; and
- Capitalized Eurostadium IP rights on the design, study costs and expenditures related to the acquired leasehold.

Eurostadium Brussels

The Board of the Directors confirms its statement mentioned in the Consolidated Financial Statements as at December 31, 2020 (p. 53-54). Since that date the situation has not significantly changed. With respect to the capitalised Eurostadium expenditures (amounting to 23.6 MEUR as of 30 June 2021 and 31 December 2020), the Board of Directors acknowledges that the current status of the case constitutes an uncertainty but remains of the opinion that the capitalized expenses will be recovered in the future through the outcome of the ongoing procedures, either through execution of the leasehold agreement, or a new, revised permit request, or indemnification.

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4. Investment property (under construction)

Balance at 31 December 2020	**273,239**
Acquisition of properties	14,671
Acquisition through business combinations	
Subsequent expenditure	17,881
Transfers	
- Assets classified as held for sale	
- Other transfers	104,969
Adjustment to fair value through P/L	25,057
Disposals	
CTA	
Balance at 30 June 2021	**435,817**

Investment Properties are stated at fair value as determined by either independent appraisers or by management and are classified in 4 categories:

A. Land without pre-permit approval, held for capital appreciation or undetermined use (fair value based on comparative method);
B. Land with pre-permit approval held for development and investment (fair value based on the potential of constructing leasable sqm);
C. Land + construction ongoing (fair value based on the residual method);
D. Completed Projects held for investment.

In accordance with the Valuation Practice Alert of 02.04.2020 published by the Royal Institute of Chartered Surveyors ('RICS'), the independent real estate valuers' reports mention that the valuations for the hotel business (Knocke Village project) have been prepared taking into account a 'material valuation uncertainty', as defined by the RICS standards. As a consequence a lower level of certainty, and more prudency is required, with regard to the obtained valuations of hotel projects as would be the case in normal market circumstances. For the avoidance of doubt, this explanatory note, including the 'material uncertainty' declaration for hotel projects, does not mean that the related valuations cannot be relied upon.

Country + SPV	**Commercial Name**	**Valuation**	**Cat**	**30/06/2021**	**31/12/2020**
BELGIUM				**KEUR**	**KEUR**
Leisure Property Invest	Knocke Village	Cushman	B/C	102,590	100,460
Zeewind	Zeewind	Man	D	1,746	1,746
Bischoffsheim Freehold	Spectrum Freehold	Man	D	1,435	1,435
DNF/Filature Retail	Filature/ Tribeca Retail	Man	D	4,650	4,650
Docora	Rafc stands 1 & 4	Man	D/C	82,674	77,266
Viminalis	Antwerpen West	Man	B	42,737	42,253
Brussel Lloyd George	Lloyd George	Man	B	45,429	45,429
Sogimes NV/ Verbena NV/ Cogimes NV	The Wings	BNP	C	49,587	0
225 City Road Ltd	The Arc	Man	C	104,969	0
TOTAL :				**435,817**	**273,239**

Legend : Man = Management valuation, Cushman = Cushman & Wakefield valuation report, JLL = Jones Lang Lasalle, BNP = BNP Paribas Real Estate.

The average yields used in the expert valuations (applying residual method) on 30 June 2021 are as follows:

- 5.10% for Belgian office projects, depending on the location, specifics and nature of the investment (vs. 4.72% per 31/12/2020);
- 6.00% to 6.25% for Belgian retail projects, depending on the specifics, nature and location of the investment (vs. 5.50% to 6.25% per 31/12/2020);
- 5.75% to 6.50% for multifunctional projects, depending on the location, specifics and nature of the investment (vs. 6.30% per 31/12/2020).

The average rent rates used in the expert valuations are as follows:

- 170 EUR/sqm/year for office space (vs. 165 EUR/sqm/year per 31/12/2020),
- 125 EUR/sqm/year to 140 EUR/sqm/year for retail space (vs. 125 to 250 EUR/sqm/year per 31/12/2020), depending on the location, specifics and nature of the project.
- 186 EUR/sqm/year for multifunctional projects, depending on the location, specifics and nature of the investment (vs. 186 EUR/sqm/year per 31/12/2020).

The transfer from inventory to IP (104,969 KEUR) is related to the (commercial part of the) project in the UK, The Arc. In connection with the formalisation of the structure of the project, and the start of the lease process, the combined offices/retail part of the project has going forward been presented as investment property.

With respect to the fair value adjustments which have been recognized in the current period, we refer to note 8 of the Consolidated interim Financial Statements.

There have been no disposals of investment property during the first half of 2021.

<u>Assets held for sale</u>

Last year's balance related to the Focus/PwC Offices project in Diegem. The amount of 96,934 KEUR reflected the fair value of the project at the status of construction per 31 December 2020. The project has in May 2021 been sold, shortly after its delivery to its anchor tenant PWC, to Riyad Capital, a third party investor. The purchase agreement was based on an underlying property value of 131.3 MEUR and a yield of 4.72%

<u>Commitments as of 30/06/21</u>

On 7 April 2021 the Company has signed an agreement in connection with the acquisition of the shares of the company owning the Copernicus site in Antwerp, for the future development of a mixed project. The closing of the transaction has taken place on 23 September, based on an underlying property value of 24 MEUR. The transaction has been financed through a bank loan of 16 MEUR and an equity input of 8 MEUR.

On 30 June 2021 the Company has signed (purchase, building right and gain allocation) agreements with a land owner regarding the partly acquisition and partly obtaining of a building right on a project site at the Noorderlaan in Antwerp. Upon fulfillment of the conditions precedent as foreseen in the agreements, the deal has been closed (and the ownership has been transferred) on 22 September 2021. The project site extends to 6,360 sqm in total; of which approx. 1,000 sqm has been acquired, while on the remaining part the Company has obtained a building right. The total transaction value amounted to 6.0 MEUR. The development process has already been started, in view of the obtaining of a building permit for the realisation of a > 30,000 sqm mixed project.

5. Equity accounted investees

Equity accounted investees amount to 29,676 KEUR as of 30 June 2021. The outstanding balance relates on the one hand to the (50%) participating interests in Carlton Retail NV, which is connected with the One Carlton high-end residential project in Knokke Zoute (14,207 KEUR). On the other hand, the remaining 80% stakes in Meetdistrict Gent NV (9,192 KEUR) and Ring Multi NV (6,277 KEUR) are also included. On 1 October 2020, 20% of the shares of Meetdistrict Gent NV and Ring Multi NV have been sold to International Real Estate Services Comm. VA (IRS) and Ghelamco European Property Fund NV (GEPF) respectively. These transactions have led to the loss of control by the Company over these project companies.

The share of the Company in the result of equity accounted investees amounts to -3,280 KEUR as per 30 June 2021. An amount of -1,321 KEUR is related to the share in Carlton Retail and an amount of -1,959 KEUR is related to the combined share in Ring Multi and Meetdistrict Gent.

6. Interest bearing loans and borrowings

	30/06/2021	31/12/2020
Non-current		
Bank borrowings – floating rate	209,714	214,856
Other borrowings - bonds	216,190	199,143
Other borrowings - other		
	425,904	**413,999**
Current		
Bank borrowings – floating rate	80,871	73,550
Other borrowings - bonds	32,911	70,900
Other borrowings - other	35,000	35,000
	148,782	**179,450**
TOTAL	**574,686**	**593,449**

6.1 Bank borrowings (290,585 KEUR; of which 209,714 long-term and 80,871 short-term)

During the period, the Company contracted new bank borrowings and withdrew on existing credit facilities for a total amount of 37.9 MEUR. On the other hand, reimbursements and re-financings have been done for an amount of 35.8 MEUR; bringing the total outstanding bank borrowings to 290.6 MEUR (compared to 288.4 MEUR at 31/12/2020). Current period's reimbursements are mainly related to the sale of the PWC Offices project in May.

When securing debt finance for its (larger) projects, the Company always negotiates long term agreements with its banks. Under these agreements, the bank swaps land acquisition loans (usually 2-year term) into development loans (usually additional 2-year term) and swaps development loans into investment loans (mostly 5 years term) upon the fulfilment of pre-agreed conditions. Most banking partners of the Company have accepted the above as a "framework" for past, current and future co-operation.

47% of the outstanding non-current bank borrowings is maturing within a 2 years-period, 53% is maturing after more than 2 years.

With respect to the outstanding short-term bank borrowings, it is to be mentioned that a significant part of the balance per books is currently in the advanced process of prolongation or refinancing (e.g. through a swap to investment loans), or has per date of the current report already been prolonged.

6.2 Bonds (249,101 KEUR; of which 216,190 KEUR long-term and 32,911 KEUR short-term)

The Company launched an EMTN bonds program for a maximum amount of 150 MEUR in June 2015. First tap on this program resulted in the issue of a first tranche of 79,100 KEUR and in December 2015 the remaining amount of 70,900 KEUR was raised. The bonds were listed on Euronext and secured by a first demand guarantee from Ghelamco Group Comm. VA. The program was coordinated by Belfius, BNP and KBC. Both tranches were underwritten by institutional investors and high-net-worth individuals. Since its bond listing on Euronext, Ghelamco Invest is formally considered as a Public Interest Entity (PIE), with related transparency, governance and reporting requirements to the benefit of the investors. The first tranche of the program, bearing an interest of 4.5%, was reimbursed on 3 June 2020 (i.e. on its maturity date). The second tranche, bearing an interest of 4.125%, has been reimbursed in the current year, on 14 June 2021 (i.e. on its maturity date).

On 20 November 2017, the Company has again issued bonds for a total amount of 101,600 KEUR, within a second 250 MEUR EMTN program. First tap on this program resulted in the issue of a tranche of 54,200 KEUR with a 7 years tenor and bearing an interest of 4.8% and of a tranche of 47,400 KEUR with a 5 years tenor and bearing an interest of 4.3%. The bonds are secured by a first demand guarantee from Ghelamco Group Comm. VA. The transaction has been coordinated by KBC, BNP, Société Générale and ABN Amro as managers and has been underwritten by professionals and institutional investors.

In addition, the Company has on 23 October 2018 issued bonds for a total amount of 33,000 KEUR within the above 250 MEUR EMTN bonds program. The bonds have as maturity date 23/05/2022, bear an interest rate of 4.5% and are secured by a first demand guarantee from Ghelamco Group Comm. VA. The transaction has been coordinated by KBC, BNP Paribas Fortis and Société Générale as managers and has been subscribed by professionals and institutional investors.

Furthermore, the Commission de Surveillance du Secteur Financier (the CSSF) has on 11 December 2019 approved the Company's base prospectus relating to a new 250 MEUR Green EMTN programme, under the prospectus regulation in the Grand-Duchy of Luxemburg. The bonds under this new programme are issued as 'green bonds', under the Company's Green Finance Framework. Under its Green Finance Framework, the Company intends to issue green bonds that will finance and/or refinance the development and implementation of sustainable and energy efficient green building projects which will be certified with high standards by internationally-recognized verifiers, namely BREEAM Excellent or above, LEED Gold or above, DGNB Gold or above, and HQE Excellent or above, EPC Label A, and meeting the NZEB as defined by local building legislation across European countries. The Green Finance Framework has been rated by Sustainalytics, a leading independent ratings and analytics firm. Based on its analysis, Sustainalytics is in its Second Party Opinion of the opinion that Ghelamco's Green Finance Framework is credible, transparent, and aligned with the Green Bond Principles (GBP) 2018 and the Green Loan Principles (GLP) 2018.

In January 2020, a first 20 MEUR tranche of Green bonds has been issued within the 250 MEUR Green EMTN bonds programme. This first tranche consisted of the roll-over of an existing short-term loan from an institutional investor. The tranche has a 7 years term and bears a fixed interest rate of 4.25%. On 3 July 2020, another tranche of 47,500 KEUR has been issued, bearing a fixed interest rate of 5.5% and maturing on 03/07/23. The transaction has been coordinated by Belfius, BNP Paribas Fortis and KBC as joint bookrunners and has been subscribed by professional and institutional investors.

On 23 November 2020, the Commission de Surveillance du Secteur Financier (the CSSF) has approved the Company's new base prospectus in connection with the existing 250 MEUR Green EMTN programme, under the prospectus regulation of in the Grand-Duchy of Luxemburg. As was the case for the previous prospectus, the bonds under this new prospectus will be issued as 'green bonds', under the Company's Green Finance Framework.

On 14 June 2021, the Company issued bonds for a total amount of 50,100 KEUR. These bonds, which were issued under the current Green EMTN program of 250 MEUR, mature on June 14, 2025, bear a fixed interest rate of 5% and are secured by a guarantee on first demand by Ghelamco Group Comm. VA. Bond proceeds have been fully used to repay the above mentioned tranche of 70.9 MEUR, which matured on the same day. The remaining amount to be repaid was taken from the Company's available resources.

Goal of the resp. issues is to diversify financial resources and secure the mid-term funding necessary to secure the realization of the pipeline of Belgian, French and UK projects.

Total balance of outstanding bonds per balance sheet date (249,101 KEUR) represents the amount of issue (252,200 KEUR) less capitalized issue costs (of which mainly the issuing banks' arrangement fees and amortized over the term of the bonds).

On 1 September 2021, the Company issued bonds for a total amount of 20,000 KEUR within its 250 MEUR EMTN Green bonds programme. The bonds have as maturity date 30/06/2026, bear an interest rate of 5.0% and are secured by a guarantee on first demand by Ghelamco Group Comm. VA. The transaction has been coordinated by Berenberg as sole agent.

6.3 Other borrowings (35,000 KEUR short-term)

In November 2019, the Company for the first time issued commercial paper (CP) for an amount of 35 MEUR, bearing an interest rate of euribor 3 months + 2% margin and with a term of 3 months (and extendable by/per 3 months). The CP was issued within a new 3-year Commercial Paper Programme for a maximum amount of 35 MEUR. The issue was fully underwritten by an external investor. On the most recent maturity date, the maturity has been extended until 30 November 2021. At the same time, the interest rate margin has been set at 6%.

No defaults of payments or breaches of borrowing agreements occurred as of 30 June 2021.
Bank borrowings are secured by amongst others the property development projects of the Company, including land and in-process construction, pledge on SPV shares, etc. The loan agreements granted by the bank are

sometimes subject to a number of covenants (Loan to Value, Loan to Cost, Debt Service Cover). During the period and per end of the period, there were no events of default in respect of these borrowings.
The bonds issued by Ghelamco Invest NV under the existing EMTN-programs are guaranteed by Ghelamco Group Comm. VA ('Ghelamco Group'), the parent company of Ghelamco Invest NV. Various covenants are applicable to Ghelamco Group (as guarantor) and Ghelamco Invest (as issuer) under the existing EMTN programs enacted by Ghelamco Invest NV. Covenants are tested both at half-year and at year-end. As at 30 June 2021, both the Issuer and the Guarantor have been in compliance with these covenants. We refer to note 2.2. of the last annual financial statements for an overview of the applicable covenants and the factors that could impact those covenants.

7. Revenue

Revenue can be detailed as follows:

	30/06/2021	30/06/2020
Sales of Residential Projects	24,414	11,433
Rental Income	2,662	4,352
Other	-	113
TOTAL REVENUE	**27,076**	**15,898**

The Rental Income as of 30 June 2021 relates to rent from commercial projects (mainly the RAFC stands).

The (residential) projects sales as of 30 June 2021 mainly relate to:

- Senzafine Kortrijk (5,913 KEUR): Construction progress invoicing on 59 apartments which were sold in previous years as well as land parts and instalment invoicing on 13 apartments (2 garages and 13 parkings spaces) sold in the current period. Construction progress (and related instalment invoicing) is at 90% to 100% per 30 June 2021. Per date of the current report, the sales rate is at 88%.
- the Lake District project in Knokke (12,441 KEUR): land parts and instalment invoicing on 80 (out of 166 in total) high-end apartments. Construction progress (and related instalment invoicing) is at 20% on average.
- Edition Zoute (2,083 KEUR): land parts and instalment invoicing on 2 apartments and 1 commercial space. The construction works on the project are currently being finalized.
- East Dune Oostduinkerke (2,360 KEUR): Sale of the last 5 units (which were already pre-sold in Q4 2020). Per 30 June 2021, the project is fully sold-out.

The impact of Covid-19 on the current period's residential and rental business of Ghelamco is properly and closely monitored and has a negligible impact on current consolidated figures.

The evolution in the cost of property development inventories goes together and is in line with the evolution in sales. The gross margin is dependent on the type of projects sold and the market.

8. Other items included in operating profit/loss

8.1 Other operating income

The current period's other operating income (2,187 KEUR) mainly includes the result from the THV One Carlton (1,152 KEUR) and a one-time revenue for a use of right payment by a retailer on the the Lake District project (597 KEUR). The remainder amongst others relates to some re-charges of real estate tax, co-owners expenses and fit-out expenses to tenants.

Last year's other operating income included purchase price adjustments connected with the sale of the Spectrum (1,493 KEUR) and the Arval (300 KEUR) projects of end 2019.

8.2 Gains from revaluation of Investment Property

	30/06/2021	30/06/2020
Gains from revaluation of Investment Property	25,057	13,313

Fair value adjustments over the first half of 2021 amount to 25,057 KEUR, which is mainly the result of current period's further investment and leasing efforts, in combination with evolution in market conditions (yield and rent level evolution).

Main (positive) fair value adjustments have been recognized on The Wings project (27.5 MEUR), in connection with the progress of the construction and commercialisation process.
On the other projects, an overall, slightly negative fair value correction of 2.5 MEUR has been recognized, in relation to the impact of the Covid-19 crisis on the main valuation parameters (mainly yields).

8.3 Other operating expenses

	30/06/2021	30/06/2020
Taxes and charges	1,116	550
Insurance expenses	108	56
Audit, legal and tax expenses	4,077	2,893
Promotional expenses	390	695
Sales expenses	1,994	581
Rental guarantee expenses	-68	1,380
Housing costs (incl maintenance)	615	854
Operating expenses with related parties	1,413	1,592
Miscellaneous	865	25
Total:	**10,510**	**8,626**

Current year's increase in legal and tax expenses goes together with the acquisition and disposal of a number of sizable investment property projects and with the coordination of some financial transactions.
The increase in sales expenses is mainly related to the lease and sale of the PWC Offices project. Current period's sales expenses mainly relate to agency fees on the lease to PWC and the sale to Riyad Capital.
The decrease in current year's rental guarantee expenses is related to the fact that current period's rental expenses (re. mainly the vacant space on the (in 2019) sold Spectrum project) have been covered by last year's recognized rental guarantee provision.

9. Finance income and finance costs

	30/06/2021	30/06/2020
Foreign exchange gains	1,828	
Interest income	4,688	3,938
Other finance income		13
Total finance income	**6,516**	**3,951**
Interest expense	-6,429	-10,194
Other interest and finance costs	-1,192	-862
Foreign exchange losses	-	-691
Total finance costs	**-7,621**	**-11,747**

The increase in interest income is mainly related to the increased related party current receivables.

Current period's exchange gains are mainly attributable to the relative strengthening of the EUR vs. the GBP, and its impact on the conversion of the GBP (mezzanine) loans.

The evolution in interest expenses goes together with the extent of development and construction activities but also with the overall (development and construction) status of projects, based on which interest is expensed in the income statement vs. capitalized in inventory. It is also to be noted that interest expenses related to (not yet delivered) Investment Property projects are not included in the above 2021 and 2020 figures, as those have directly been capitalized on IP.

Other finance costs mainly relate to the amortisation of capitalized bond issue expenses.

10. Income taxes

	30/06/2021	30/06/2020
Current income tax	102	-2,666
Deferred tax	1,813	14,577
Total income tax	**1,915**	**11,911**

In general, the deferred tax expenses are mainly related to the recognition of deferred tax liabilities on the fair value accounting of investment property.

Current year's relatively low (deferred) income tax expense is mainly related to the sale of the PWC Offices project in May. In connection with the sale of the shares of the SPV holding the PWC Offices, cumulated deferred tax liabilities have been reversed through the income statement for an amount of 6.9 MEUR.

Last year a significant amount of cumulated deferred tax liabilities (12.1 MEUR) was reversed, in connection with the (signing of the) sale of the Silver Tower end of June.

11. Financial instruments

The table below summarizes all financial instruments by category and discloses the fair values of each instrument and the fair value hierarchy.

Financial instruments (x € 1 000)	30/06/2021				
	FVTPL	**FVOCI**	**Measured at amortised cost/fin. liabilities at amortised cost**	**Fair value**	**Fair value level**
Other financial investments					
Other financial assets			5,159	5,159	2
Non-current receivables					
Receivables and prepayments			6,227	6,227	2
Restricted cash					
Current receivables					
Trade and other receivables			284,335	284,335	2
Derivatives					
Cash and cash equivalents			33,940	33,940	2
Total Financial Assets	**0**	**0**	**329,660**	**329,660**	
Interest-bearing borrowings - non-curr.					
Bank borrowings			209,714	209,714	2
Bonds			216,190	215,453	1
Other borrowings					
Interest-bearing borrowings - current					
Bank borrowings			80,871	80,871	2
Bonds			32,911	32,174	1
Other borrowings			35,000	35,000	2
Current payables					
Trade and other payables			54,883	54,883	2
Total Financial Liabilities	**0**	**0**	**629,569**	**628,095**	

Financial instruments (x € 1 000)	31.12.2020				
	FVTPL	**FVOCI**	**Loans and receivables/fin. liabilities measured at amortised cost**	**Fair value**	**Fair value level**
Other financial investments					
Other financial assets			4,280	4,280	2
Non-current receivables					
Receivables and prepayments			7,927	7,927	2
Restricted cash					
Current receivables					
Trade and other receivables			264,250	264,250	2
Derivatives					
Cash and cash equivalents			25,080	25,080	2
Total Financial Assets	**0**	**0**	**301,537**	**301,537**	
Interest-bearing borrowings - non-curr.					
Bank borrowings			214,856	214,856	2
Bonds			199,143	194,236	1
Other borrowings					
Interest-bearing borrowings - current					
Bank borrowings			73,550	73,550	2
Bonds			70,900	68,493	1
Other borrowings			35,000	35,000	2
Current payables					
Trade and other payables			43,176	43,176	2
Total Financial Liabilities	**0**	**0**	**636,625**	**629,311**	

The above table provides an analysis of financial instruments grouped into Levels 1 to 3 based on the degree to which the fair value (recognized on the statement of financial position or disclosed in the notes) is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

12. Transactions with related parties

Ghelamco (Consortium)'s business activities are structured in four major holdings under common control of the ultimate shareholders (jointly referred to as "Ghelamco"):

- Investment Holding: comprises resources invested in the development of real estate projects in Belgium, Poland, France and UK and the intra-group Financing Vehicles – referred to as "Investment Group" or the "Group";

- Development Holding: represents international entities that provide construction, engineering and development services to the Investment Group;

- Portfolio Holding: consists of all other activities and real estate investments controlled by the ultimate shareholders.

- Ghelamco European Property Fund: comprises since 2016 the real estate projects kept as income generating products for a longer time.

Ghelamco Invest NV (the "Company") is the holding company of the Belgian, French and UK activities of Ghelamco Group Comm. VA, which is in turn the holding company of the Investment Group. Ghelamco Invest NV, together with its subsidiaries, constitute the reporting entity for the purpose of these interim condensed financial statements.

Balances and transactions between the Company and related parties (belonging to the Development Holding and the Portfolio Holding) mainly relate to construction and development services on the one hand and financial related party transactions on the other hand.

Trading transactions: purchase of construction, engineering and other related services from related parties

Construction and development services
The Company has entered into property development and construction contracts with property development and construction companies ("Contractors"), subsidiaries of the Development Holding:

- International Real Estate Services Comm. VA
- and to a lesser extent with Ghelamco NV.

Engineering and architectural design services
APEC Architectural Engineering Projects Limited (a limited liability company registered under the laws of Ireland), legal subsidiary of International Real Estate Services Comm. VA (the parent company of Ghelamco's "Development Holding") coordinates engineering and architectural design services provided to the Company's larger projects, in accordance with terms of the respective contracts.

Above described related party transactions and balances can be detailed as follows:

	30/06/2021	**30/06/2020**
Purchases of construction, engineering and architectural design	-1,282	-2,561
Operating expenses with related parties	-1,413	-1,592
Interest income	4,168	3,382

	30/06/2021	**31/12/2020**
Related party trade receivable	662	482
Related party trade accounts payable	-2,689	-2,806
Related party non-current loans receivable	2,202	3,347
Related party interests receivable (Ghelamco Group Comm. VA)	25,189	21,299
Related party C/A receivable (Ghelamco Group Comm. VA)	245,163	227,052
Related party non-current loans payable		
Related party interests payable	-454	-416
Related party C/A payable	-8,154	-9,276

The related party current account receivable has increased by 18.1 MEUR and is fully related to the Company's receivable position towards its parent company Ghelamco Group Comm. VA.

13. Post balance sheet events

On 7 April 2021 the Group has signed an agreement in connection with the acquisition of the shares of the company owning the Copernicus site in Antwerp, for the future development of a mixed project. The closing of the transaction has taken place on 23 September, based on an underlying property value of 24 MEUR. The transaction has been financed through a bank loan of 16 MEUR and an equity input of 8 MEUR.

On 30 June 2021 the Company has signed (purchase, building right and gain allocation) agreements with a land owner regarding the partly acquisition and partly obtaining of a building right on a project site at the Noorderlaan in Antwerp. Upon fulfillment of the conditions precedent as foreseen in the agreements, the deal has been closed (and the ownership has been transferred) on 22 September 2021. The project site extends to 6,360 sqm in total; of which approx. 1,000 sqm has been acquired, while on the remaining part the Company has obtained a building right. The total transaction value amounted to 6.0 MEUR. The development process has already been started, in view of the obtaining of a building permit for the realisation of a > 30,000 sqm mixed project.

On 11 August 2021, the Company has (through is subsidiary Ligora BV) acquired a site at the Kouterveldstraat in Machelen. The site extends to approx. 1 hectare and has been acquired for the future development of a +/- 20,000 sqm office project. The purchase price amounted to 2.6 MEUR.

On 1 September 2021, the Company issued bonds for a total amount of 20,000 KEUR within its 250 MEUR EMTN Green bonds programme. The bonds have as maturity date 30/06/2026, bear an interest rate of 5.0% and are secured by a guarantee on first demand by Ghelamco Group Comm. VA. The transaction has been coordinated by Berenberg as sole agent.

Statutory Auditor's Report to the board of directors of Ghelamco Invest NV on the review of the condensed consolidated interim financial information as at June 30, 2021 and for the six-month period then ended

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Ghelamco Invest NV as at June 30, 2021, the condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and notes to the interim financial information ("the condensed consolidated interim financial information"). The board of directors is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at June 30, 2021 and for the six-month period then ended is not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

Zaventem, September 30, 2021

KPMG Bedrijfsrevisoren - Réviseurs d'Entreprises
Statutory Auditor
represented by

Filip De Bock
Bedrijfsrevisor / Réviseur d'Entreprises

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